GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4294
ANSWERED ON:20.04.2000
INCREASE IN ECONOMIC COST OF FOOD CORPORATION OF INDIA
SHANKERSINH VAGHELA;SUKDEO PASWAN

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the economic cost of wheat and rice of Food Corporation of India is constantly increasing;

(b) if so, the estimated economic cost of wheat and rice during the year 1999-2000;

(c) the extent to which the said cost is higher than that of the last year in terms of percentage; and

(d) the reasons for this increase?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI SRIRAM CHAUHAN)
(a) Yes, Sir.

(b) The estimated economic cost of wheat and rice of FCI during the year 1999-2000 wasRs.820/- per qtl. And Rs.1076/- per qtl. (approximately) respectively.

(c) Percentage-wise, the estimated economic cost of wheat and rice during 1999-2000 has gone up by 2.87% and 4.80% (approximately) respectively over the estimated economic cost of 1998-99.

(d) The rise in economic cost is mainly attributable to the increase in the MSP of wheatand rice which triggers an increase in the statutory charges levied by the States on advalorem basis.